ORIGINAL

CCI 020/030 20 30 40



INTERNATIONAL

LONGSHOREMEN'S

ASSOCIATION

AFL-CIO

17 BATTERY PLACE, SUITE 930, NEW YORK, NEW YORK 10004-1261 • (212) 425-1200 • FAX (212) 425-2928 • FAX (212) 809-6826

John Bowers *President*

September 25, 2003

VIA UPS

Mr. Bryant L. VanBrakle, Secretary Federal Maritime Commission 800 North Capitol Street, NW Washington, DC 20573

Re: Petition P3-03

Dear Mr. VanBrakle:

The International Longshoremen's Association, AFL-CIO takes exception to the application of UPS for an exemption from the prohibition on NVOCC's from entering into confidential contracts with their customers.

When OSRA was before Congress in 1998, the concept of the "sizes" or activities of NVO operations were never in issue as determinative factors. Rather, the off-pier attributes of NVO operations as compared (or: contrasted) with those of established ocean carriers differentiated them. Indeed, since then, nothing but the growth — or expansion — of NVO activities has changed.

We are certain that the UPS's Petition does not presently stand alone in beckoning an exception. In its wake are coming those of *its* competitors, as the spearheads of a movement to pry open a breech in the wall that Congress recognized to exist between the direct transporters of ocean cargoes and the shippers' inland agents. We submit that once this opening is created, other NVO's of all types and sizes seek to squeeze through on the premise that to deny them as well on rationalized, rather than statutory, grounds is discriminatory. The Commission will be hard-pressed to devise viable distinctions that were neither devised nor sanctioned by Congress and which can very well spur the onset of litigation. Meantime, the Commission may not disregard those indicia that separate NVO's from *bona fide* carriers.

Let UPS take its approach through the front door and make its arguments to Congress, wherein they belong, lest OSRA's prohibition effectively became a nullity. The gut issues and their ramifications are too far-reaching to warrant the Commission's determinations

Mr. Bryant L. VanBrakle, Secretary September 25, 2003 Page Two

on a case-by-case basis when the volume of filings that reportedly wait in the wings promise to overturn, rather than simply make a limited exception to, the Congressional scheme in OSRA.

The ILA therefore urges you to reject UPS's Petition.

Sincerely yours,

John Bowers

John Bowers

President

cc: Mr. Albert Cernadas, Exec. Vice-Pres., ILA, AFL-CIO

Mr. Robert E. Gleason, Sec. Treas., ILA, AFL-CIO

Mr. Benny Holland, Jr., Gen. Vice-Pres., ILA, AFL-CIO

Mr. Gerald Owens, Gen. Org., ILA, AFL-CIO

Mr. Harold J. Daggett, Asst. Gen. Org., ILA, AFL-CIO

Mr. Richard P. Hughes, Jr., Sec.-Treas., ACD, ILA, AFL-CIO

Mr. John Bowers, Jr., Legis. Dir., ILA, AFL-CIO

Gleason & Mathews, P.C.